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RECOMMENDATION NUMBER 1:

Discontinue the present procedure of posting and adjusting individual Headquarters obligations to their cost center accounts and adopt a revised procedure (TAB A) requiring the posting of only monthly summarizations of liquidated and unliquidated obligations. In as much as the proposed procedure deviates from that which is prescribed in Agency Handbook [REDACTED] it will be necessary to obtain the concurrence of the Office of the Comptroller prior to adoption. Attached (TAB B) for your use is a sample memorandum requesting a waiver to said Notice.

JUSTIFICATION:

Analysis of the accounts maintenance procedures presently adhered to by the B&F Section indicates that the daily postings of Headquarters obligations to their respective cost center is duplicating information already available on the documents themselves and a matter of record within the section files by cost center. Further, the obligations are rarely liquidated for the same amount as originally established. This requires that adjustments be made to the original amount posted to the cost center account as well as a notation of the difference on the cover sheet attached to the document in the files.

The time and effort expended at present in posting and subsequent adjusting of each individual Headquarters obligation to the proper cost center account could be diverted elsewhere with no loss in the availability or accuracy of information within the Section by adoption of the above recommendation. Increased accuracy would actually be achieved, in that, all liquidated obligations would be entered as actual amounts rather than adjusting to the nearest whole dollar the original amount estimated and entered as the obligation. The probability of human errors occurring would also be reduced in direct proportion to the reduction in the number of entries required.

In essence, this recommendation prescribes utilization of the present files containing the obligating documents as working records during the month. The cost center account books would reflect only monthly summarization of activity, but would be available for more detailed accounting applications as required during the closing month of the Fiscal Year.

Favorable reaction to the concepts of this recommendation has been received from representatives of the SSA, Comptroller/TAS, and Audit Staff as well as their encouragement for further pursuit.

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RECOMMENDATION NUMBER 2

Record overall accounting for Petty Cash funds expended as a single entry against the Headquarters Miscellaneous Support Cost Center rather than against individual project cost centers in support of which the funds were expended.

JUSTIFICATION:

A considerable amount of time is expended within the B&F Section in ascertaining proper cost centers to be charged, preparation of listings to reflect such charges and posting of individual charges to the separate accounts.

It is not considered to be in the best interest of the Division to attempt to carry the concept of project costing to this extent for this category of expenditures, when consideration is given to the following:

- a. The majority of individual expenditures are for amounts ranging from less than one dollar to approximately three dollars and in total represent a relatively insignificant amount of the total funds for any single cost center.
- b. The majority of the expenditures would be more readily classified as being of a support nature than truly operational.
- c. Expenditure totals recorded for each cost center are rounded off to the nearest dollar prior to posting, thereby distorting to a degree the accuracy of the obligations.

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RECOMMENDATION NUMBER 3

- a. Reevaluate the number of copies of the listing of "Division Cost Centers" that should be distributed.
- b. Request from the Comptroller the appropriate number of copies of the Comptroller listing of the Division's cost centers with amendments and distribute in lieu of the quarterly listing now prepared by the B&F Branch.

JUSTIFICATION:

The Branch now reproduces quarterly by "ditto" approximately 100 copies of a listing of the Division's cost centers. This listing consists of 25 - 30 pages and is distributed both externally and internally with approximately 48 copies going to the Division headquarters and 23 to field components. This listing duplicates the annual publication issued by the Office of the Comptroller to which amendments are also issued as frequently as required. The Office of the Comptroller will provide FE with as many copies of these issuances as are required. It appears, however, that the number of copies required should be reevaluated, as the headquarters distribution of 48 copies seems excessive. An informal check with the FE/Sec Officer indicates there are no apparent Security problems because of the fact that more than one country is listed on a page of the annual listing and more than one division is listed on a single page of the amendments.

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RECOMMENDATION NUMBER 4:

Use the monthly IBM list of "Status of Advances" for control of action taken and for the bi-monthly report forwarded thru the C/SS to the FD.

JUSTIFICATION:

The present practice is to tear from the IBM list each portion representing a delinquent accounting. This portion of the list is forwarded to the responsible employee under cover of a routing slip from the B&F Branch. A routing slip with a stamped statement and with the amount added or a special form would serve as the notice to the employee and thus save the IBM listing for use as recommended. (A complete retyping of all entries on the list every second month would be eliminated).

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RECOMMENDATION NUMBER 5:

Establish a higher priority on replies to dispatches.\*

JUSTIFICATION:

Some dispatches require more time for preparation of the reply than others because of the time to obtain information from other offices. Therefore, there will often be exceptions to any arbitrary rule for reply within a certain number of days. However, it is a good practice to have such a rule to assure as prompt replies as possible. If dispatches from the field fail to receive prompt attention, there is a tendency to increase cable traffic. Generally this time limit should not exceed 5 work days. A spot review of the station files indicates approximately 2 weeks is the minimum time from receipt to date of typing the reply.

- \* A similar review of cables shows good service in the field. Replies to cables are generally being made within one or two days.

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RECOMMENDATION NUMBER 6:

Limit holdings of Agency and DD/P regulatory issuances to those categories related to the functions of the B&P Section, and utilize holdings of the O/Chief, Support Staff as required for references to other categories of information.

JUSTIFICATION:

Reduces the amount of time necessary to maintain complete volumes of Agency and DD/P regulatory issuances within the Section and usually results in better and more current maintenance of material of particular interest to a section of this type.

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RECOMMENDATION NUMBER 7:

- a. Reorganize the field correspondence files for each Station to include:
  - (a) Copies of all "In" cables and dispatches which require reply or other action in the B&F Branch.
  - (b) Run off copies of all cables and dispatches originated by the B&F.
  - (c) The info "Out" copies of cables or dispatches prepared by other headquarters components but which require B&F action of some sort.
  - (d) Memos to or from FD, and internal notes which relate to station accounting problems.
- b. Maintain all office files in standard 11 pt. Kraft folders with "straight line" tabs and guides as necessary for quick reference.

JUSTIFICATION:

Item a above is a consolidation of the present cable "up" file and the station dispatch file under which all action correspondence with the station will be brought together for ready reference.

Item b-all of these files are of temporary reference value. The standard folders are entirely adequate and in addition would save about one half of the safe space now required.

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RECOMMENDATION NUMBER 8:

Eliminate the "separate cover dispatch log." Instead, place the dispatch in a "hold" file until the attachment is received. When received, match the attachment with the dispatch, note "rec'd (date)" on the dispatch and forward both to the action desk. (If action is needed before receipt of the attachment, place a copy of the abstract in the "hold" file.

JUSTIFICATION:

The notation on the dispatch will adequately document receipt of the attachment.

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RECOMMENDATION NUMBER 9:

Reduce the control on "In" dispatches to maintenance of an abstract on only those which are referred to another office for action or information.

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JUSTIFICATION:

There is no regulation requirement for logging at this level. [REDACTED] records reflect the fact that B&F received a copy and the proposed abstract file will indicate if it was forwarded; all other cases should be in the file and the abstract file won't help find it if its misfiled in the Section.

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RECOMMENDATION NUMBER 10:

Combine the log for "non accountable manifests" and the log for "non accountable manifest separate cover attachments."

JUSTIFICATION:

One additional entry on the log to show date of receipt of the attachment would be sufficient and would eliminate the duplicate writing of all the other entries.

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RECOMMENDATION NUMBER 11:

Limit the entries on the Travel Order Log (Field and Headquarters) to Travel Order number, name of traveler, and date (date number assigned in Headquarters or date travel order is received from field).

JUSTIFICATION:

These limited entries would answer most of the reference requirements to the log. References to the other entries can be obtained if necessary from the travel order "book," the travel cards, or the copies of the T/O filed by cost center. The items proposed for elimination are Destination, Departure date, Branch, Allotment number and Amendment number.

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